

EXHIBIT 9



IT Governance – Helping Organizations Achieve Enterprise-wide Governance Over Information Technology (IT)

Providing cost effective assessment, implementation and management solutions to improve an organization's control and governance over IT.

Highlights

IT Governance –

- Aligns IT with business objectives
- Achieves regulatory requirements and mandated best practices
- Reduces security and privacy risks
- Optimizes investments in and use of IT resources
- Increases effectiveness and efficiency of the IT enabled business solutions and IT services
- Improves measurement of IT performance

IBM leverages a proven success record, leading practices, software and solutions that are designed to effectively implement sound, proven IT Governance that complies with regulatory requirements.

IT Governance is management's responsibility to direct and control Information Technology (IT) and link it with business objectives, while maximizing the value of IT and minimizing the associated risks. It consists of the leadership, organizational structures and processes that ensure that the organization's IT sustains and extends the organization's strategies and objectives. Never before in history has Information and IT enabled solutions energized organizations to maximize performance and service delivery. Information itself has become a tangible asset – the most valuable asset for many organizations – and therefore it needs to be appropriately managed and protected.

Successful organizations recognize the benefits of information and related technologies and use them to drive their business processes. These organizations also understand and manage the associated risks, such as increasing regulatory compliance and critical dependence of many business processes on IT.

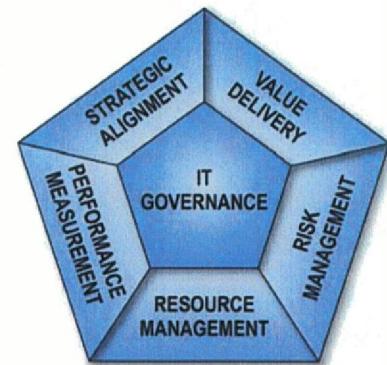
The IT Governance Institute (ITGI) identifies five focus areas making up IT Governance:

- **Strategic alignment** focuses on ensuring the linkage of business and IT plans; on defining, maintaining and validating the IT value proposition; and on aligning IT operations with enterprise operations.
- **Value delivery** is about executing the value proposition throughout the delivery cycle, ensuring that IT delivers the promised benefits against the strategy, concentrating on optimizing costs and proving the intrinsic value of IT.
- **Resource management** is about the optimal investment in, and the proper management of critical IT resources: applications, information, infrastructure and

people. Key issues relate to the optimization of knowledge and infrastructure.

- **Risk management** requires risk awareness by senior corporate officers, a clear understanding of the enterprise's appetite for risk, understanding of compliance requirements, transparency about the significant risks to the enterprise, and embedding of risk management responsibilities into the organization.
- **Performance measurement** tracks and monitors strategy implementation, project completion, resource usage, process performance and service delivery; using, for example, balanced scorecards that translate strategy into action to achieve goals measurable beyond conventional accounting.

IT Governance Focus Areas



Key aspects of IT Governance are transparency, accountability and the way organizations enable all those with an interest in the IT services and business solutions to influence positively, constructively and responsibly.

There are several internationally recognized leading practices for information and information systems that are utilized as a framework for the IBM IT Governance solutions.

Control Objectives for Information and related Technology (COBIT®) and related documents - CobiT is the most internationally recognized, comprehensive set of generally accepted IT control objectives for use by executive management, business and IT managers, and governance, assurance, control and security professionals. It allows managers to bridge the gap with respect to control requirements, technical issues and business risks, and communicate that level of control to stakeholders. The CobiT framework and supporting toolsets address IT Governance and provide good practices across a structured framework based on a consensus of worldwide experts. It provides a generic process model that represents all processes normally found in IT functions, providing a common reference model understandable to IT and business management, alike. It is focused on what is required to achieve adequate management and control of IT.

COBIT® is comprehensive and addresses all aspects of IT. The framework consists of 4 IT Domains:

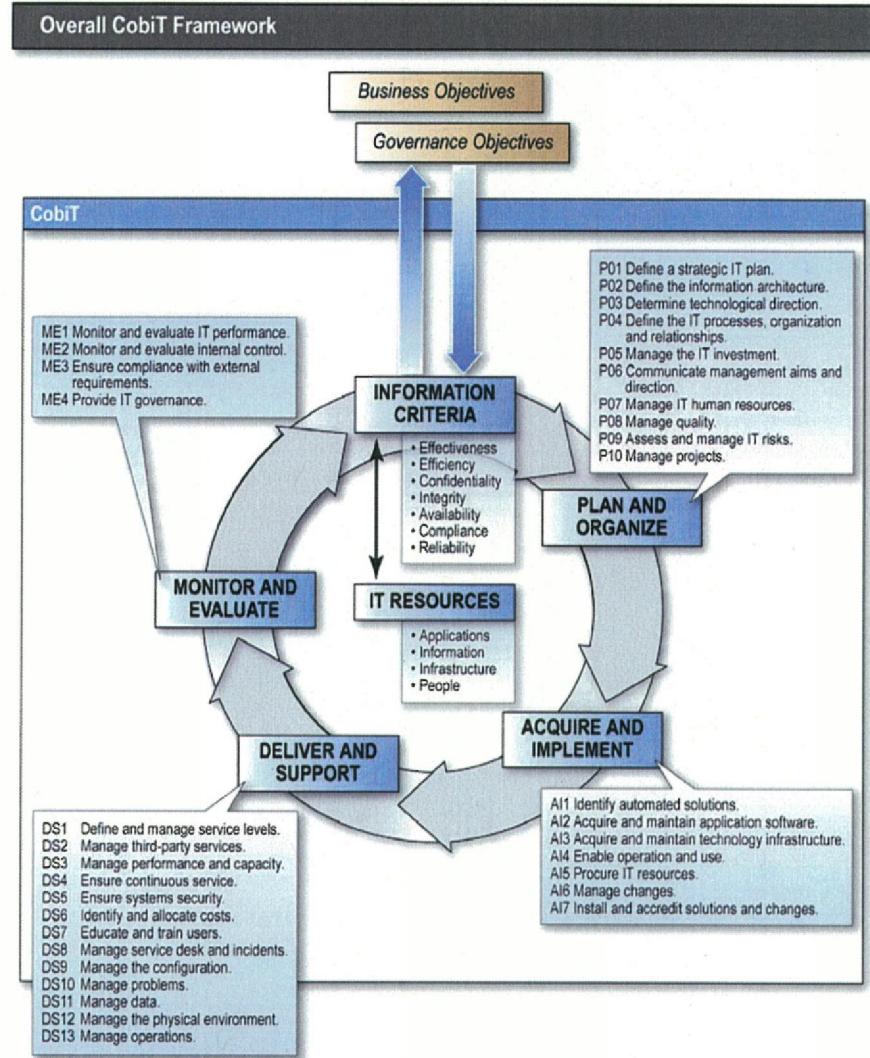
- Plan and Organize
- Acquire and Implement
- Deliver and Support, and
- Monitor and Evaluate.

The COBIT® model is very similar to the traditional IT elements of plan, build, run and monitor.

Within the four domains are 34 IT processes, containing 210 control objectives. Each of the 34 IT process identifies the detailed control objectives applicable to that IT process, and the information architecture of inputs and outputs, responsibilities and accountabilities, and specific goals and metrics at the activity, process and IT level. In addition, COBIT® includes overarching process controls and application controls – 6 each. The 210 control objectives related to the 4 IT Domains should be considered together with the process and application control objectives to have a complete view of control requirements for an organization's control and governance of its IT and information.

To satisfy business objectives, information needs to conform to certain control criteria, which COBIT® refers to as business requirements for information. Based on the broader quality, fiduciary and security requirements, seven distinct information criteria are defined as follows:

- **Effectiveness** deals with information being relevant and pertinent to the business process as well as being delivered in a timely, correct, consistent and usable manner.



- **Efficiency** concerns the provision of information through the optimal (most productive and economical) use of resources.
- **Confidentiality** concerns the protection of sensitive information from unauthorized disclosure.
- **Integrity** relates to the accuracy and completeness of information as well as to its validity in accordance with business values and expectations.
- **Availability** relates to information being available when required by the business process now and in the future. It also concerns the safeguarding of necessary resources and associated capabilities.
- **Compliance** deals with complying with the laws, regulations and contractual arrangements to which the business process is subject, i.e., externally imposed business criteria as well as internal policies.

- **Reliability** relates to the provision of appropriate information for management to operate the entity and exercise its fiduciary and governance responsibilities.

The IT organization delivers against these goals by a clearly defined set of processes that use people skills and technology infrastructure to run automated business applications while leveraging business information. These resources, together with the processes, constitute an enterprise architecture for IT.

To respond to the business requirements for IT, the enterprise needs to invest in the resources required to create an adequate technical capability (e.g., an enterprise resource planning [ERP] system) to support a business capability (e.g., implementing a supply chain) resulting in the desired outcome (e.g., increased service and financial benefits). The IT resources identified in COBIT® are defined as follows:

- **Applications** are the automated user systems and manual procedures that process the information.
- **Information** is the data, in all their forms, input, processed and output by the information systems in whatever form is used by the business.
- **Infrastructure** is the technology and facilities (i.e., hardware, operating systems, database management systems, networking, multimedia, and the environment that houses and supports them) that enable the processing of the applications
- **People** are the personnel required to plan, organize, acquire, implement, deliver, support, monitor and evaluate the information systems and services. They may be internal, outsourced or contracted as required.

Based on the COBIT® framework is a newly emerging complementary ITGI framework, Val IT®, which explains how an enterprise can extract optimal value from IT-enabled investments. It is organized into three processes:

- Value Governance,
- Portfolio Management
- Investment Management

There are numerous supporting documents within CobiT and other internationally accepted practices which are mapped and supportive of one another such as those following.

IT Infrastructure Library (ITIL)* - IT Infrastructure Library (ITIL) is the product of the United Kingdom's Office of Government Commerce (OGC) and is an IT service management approach. ITIL is self-described as a cohesive set of best practices drawn from the public and private sectors and is supported by a comprehensive qualifications scheme, accredited training organizations, and implementation and assessment tools. ITIL consists of a series of publications providing guidance on the provision of quality IT services, and the accommodation and environmental facilities support needed.

ISO17799:2005* - ISO17799 provides a code of practice for information security management from the International Organization for Standardization (ISO). It defines information security as the protection of information (electronic, written and spoken) to ensure business continuity, minimize business risks and maximize return on investments and business opportunities.

Public Sector-Federal has additional guidelines and standards it must follow and these are utilized as required in IT Governance, such as:

- **Office of Management and Budget (OMB)** Circular A-130 - addresses the management of Federal information resources.

- **Office of Management and Budget (OMB)** Circular A-123 – addresses management's responsibility for internal control to strengthen internal controls over financial reporting in Federal agencies.

- **The Federal Information Security Management Act (FISMA)** - requires that each federal agency develop, document and implement an agency wide program to provide security for the information and information systems which support the operations and assets of the agency. FISMA is supported by a number of National Institute of Standards and Technology (NIST) documents and guidelines that form the basis for IT Governance and Information Security Governance for Federal information and information systems.

To effectively navigate through these best practices, rules, and regulations ITGI has developed a road map to implementing IT Governance in an organization, regardless of size, that ensures the focus is on business needs when improving control and governance of IT processes. It encourages management

commitment and involvement, follows good project management practices, and provides for continuous improvements and sustainment.

Most organizations cannot accommodate wholesale change in existing and functioning IT activities. The value of applying this road map is that it provides for a quick assessment and prioritization of needs, incorporates management direction and resource plans, and encourages staged implementation with a feedback loop for continuous improvement.

Some of the improvements and benefits of following this model and implementing IT Governance are:

- Alignment of IT strategy to business strategy
- Reduced security and privacy risks
- Optimized resource and asset utilization
- More efficient and effective use of IT
- Higher realization of business goals
- Measurement through the use of meaningful metrics
- Standardized processes that will support audits
- Continuous Improvement

Road Map to IT Governance

Identify Needs

- Raise awareness and obtain management commitment.
- Define scope.
- Define risks.
- Define resources and deliverables.
- Plan programme.

Emulsion Solution

- Assess actual performance.
- Define target for improvement.
- Analyse gaps and identify improvements.

Plan Solution

- Define projects.
- Develop improvement plan.

Implement Solution

- Implement the improvements.
- Monitor implementation performance.
- Review programme effectiveness.

Operationalize Solution

- Build sustainability.
- Identify new governance requirements.

IBM's Experiences in IT Governance

Assessment: IBM has trained and experienced professionals utilizing the COBIT® framework and other accepted practice methodologies and tools for reviewing an organization's policies and processes to identify gaps and make recommendations for improvement. We also have experience reviewing all aspects of IT at a detailed level, reporting gaps, identifying risks and priorities, and making specific recommendations at a process and/or detailed activity level as appropriate..

Implementation: IBM has professionals to build an IT Governance plan where the IT guiding principles are created within the organization, general governance board structures are established, and process reviews are initiated. In other cases, specific remediation designs/solutions are developed, assistance is provided in implementation of processes, and progress and risks are monitored. Implementations can be staged and implemented in various stages, and at various levels of detail based on the organization's needs.

Management: Some organizations already have some form of IT governance. They may need fresh ideas, objective reviews, assistance in continuing earlier/prior efforts, support in executing their IT Governance plan, process improvements, augmentation of staff with

additional skills, etc. In some cases, quality control and risk reviews need to be conducted on the IT controls previously implemented. IBM staff can also augment and coach organization management and staff on IT governance and assist with review and improvement of selected processes and performance measurements.

Sustainment: Once the IT Governance leadership, structures, processes and monitoring are established, it must be sustained. For many organizations there are financial reporting guidelines to be followed, such as IT General Controls and Application Controls. IT Governance facilitates the development, implementation, sustainment and documentation of these controls. IBM's experienced staff can assist and guide the sustainment and documentation of controls and processes within an organization.

The IT Governance Life Cycle illustrates the continuous nature of IT Governance. With the assistance of IBM's expertise and staff an organization can start at any stage and modify to meet the specific needs of the organization.

IBM's Advantage

IBM has developed leading edge solutions designed to assist clients in developing, implementing and managing IT Governance utilizing the COBIT® framework and other related best practices. These solutions take advantage of industry leading practices that

meet regulatory and audit requirements. IBM's staff has expertise and experience in applying these practices and in all areas of IT such as planning, business needs assessment, systems development, infrastructure engineering and operations, change management, information security, resource development and management, and is able to accomplish the detailed analysis, solution development, implementation and operation, as needed. IBM has the tools to accomplish rapid results including a dashboard for executives, detailed line management reports, risk assessments, compliance and gap analyses, remediation, implementation, and proven management techniques.

Finally, IBM's staff is actively involved in the development and maintenance of federal information systems standards and "industry best practices", including IT Governance, COBIT®, Val IT® and other related frameworks. These same professionals deliver these services to best meet your IT control and governance needs.

For more information

To learn more about IBM Global Business Services Public Sector's Security, Privacy, Wireless, & IT Governance offerings and IBM's IT Governance Solutions, email us at SecPrivW@us.ibm.com



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* COBIT® and Val IT®- the registered trademark of the IT Governance Institute.

* ITIL- The UK Office of Government Commerce (OGC) IT Infrastructure Library; a set of guides on the management and provision of operational IT services.

* ISO 17799 - Code of practice for information security from the International Organization for Standardization (ISO) that defines information confidentiality, integrity and availability controls.

IT Governance Life Cycle

